

1 **VIRGINIA TOBACCO INDEMNIFICATION**
2 **AND COMMUNITY REVITALIZATION COMMISSION**

3 701 East Franklin Street, Suite 501

4 Richmond, Virginia 23219

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7 **Special Projects Committee Meeting**

8 Thursday, October 4, 2007

9 11:00 a.m.

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11 Wytheville Meeting Center - Grand Ballroom B

12 Wytheville, Virginia

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CRANE-SNEAD & ASSOCIATES, INC.
4914 Fitzhugh Avenue, Suite 203
Richmond, Virginia 23230
Tel. No. (804) 355-4335

1 **APPEARANCES:**

2 The Honorable William C. Wampler, Jr., Chairman

3 The Honorable Allen W. Dudley, Vice Chairman

4 The Honorable David Smith, Deputy Secretary of Commerce and Trade

5 Mr. Thomas W. Arthur

6 The Honorable Terry G. Kilgore

7 Mr. Jordon M. Jenkins, Jr.

8 Mr. H. Ronnie Montgomery

9 Mr. Thomas E. West

10 Ms. Evelyn Whitley, Representative of the Secretary of Finance

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14 **COMMISSION STAFF:**

15 Mr. Neil E. Noyes, Executive Director

16 Mr. Ned Stephenson, Deputy Director

17 Mr. Timothy J. Pfohl, Grants Program Administration Manager

18 Ms. Britt E. Nelson, Grants Program Administrator - Southside Virginia

19 Ms. Sara Williams, Grants Program Administrator - Southwest Virginia

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1 SENATOR WAMPLER: Good morning. I will
2 call the meeting to order. I'll ask the Executive Director to call the roll.

3 MR. NOYES: Mr. Arthur?

4 MR. ARTHUR: Here.

5 MR. NOYES: Delegate Dudley?

6 DELEGATE DUDLEY: Here.

7 MR. NOYES: Mr. Smith?

8 MR. SMITH: Here.

9 MR. NOYES: Delegate Kilgore?

10 DELEGATE KILGORE: Here.

11 MR. NOYES: Mr. Jenkins?

12 MR. JENKINS: Here.

13 MR. NOYES: Mr. West?

14 MR. WEST: Here.

15 MR. NOYES: Evelyn Whitley?

16 MS. WHITLEY: Here.

17 MR. NOYES: Senator Wampler?

18 SENATOR WAMPLER: Here.

19 MR. NOYES: You have a quorum, Mr. Chairman.

20 SENATOR WAMPLER: Thank you, very much.

21 The meeting might go on for a while, depending on what the Committee
22 wants to do. I would just say to the audience, we have tried to streamline
23 our procedure that will help facilitate our discussions of the applications that
24 are pending. We will reserve public comment for the end of the meeting, or
25 the end of the proposals.

1 Before we get into a discussion of the applications, I would just
2 like to know if any of the members of the Committee have any comments
3 they care to make at this time.

4 Hearing none, then, I'll ask that we go to the business of the
5 Committee. I'll ask for a motion to approve the Minutes of the April 26,
6 2007 meeting. Is there a motion? It's been moved and seconded that the
7 Minutes of the April 26, 2007 Special Projects Committee meeting be
8 approved. All in favor say aye? (Ayes.) Opposed? (No response) They're
9 approved.

10 Now, I'll ask Mr. Tim Pfohl to present the grants as represented
11 to us in the applications.

12 MR. PFOHL: Good afternoon. There are plenty
13 of our staff reports by the door, if anybody didn't get one.

14 We have 22 applications, and the deadline for these was mid-
15 August this year. The staff report gave you a heads-up that we will be
16 receiving an additional project for your consideration today. At the bottom
17 of the spreadsheet is the Virginia/North Carolina Regional Water Authority
18 request for \$2.5 million. It was submitted to Southwest Economic
19 Development, and it was sent over to your Committee this morning by the
20 Southwest Committee. That is a project that has regional participation in it
21 and has been funded by your Committee twice in the past. That's on your
22 plate, as well as a half million dollars --

23 SENATOR WAMPLER: -- And in addition to the
24 Southwest Committee sending a half million dollars along with the
25 application.

1 MR. PFOHL: Exactly. Your balance has
2 increased, pending the approval of the Executive Committee on October
3 18th to transfer \$500,000.

4 Leading off at the top of the batting order here is the City of
5 Danville, which is requesting \$1 million --

6 SENATOR WAMPLER: -- Excuse me, what I'll
7 do is ask the Committee members to review the recommended projects and
8 the dollar amounts, and we'll go through all of them. If you have a question,
9 please interrupt Tim, and in the meantime we'll go through the balance of the
10 projects after this.

11 MR. PFOHL: The Danville project is for an
12 unnamed economic development prospect, and it's still a confidential
13 Economic Development project that a number of the economic development
14 agencies in the state and regions and localities are working on. We're not at
15 liberty at this point to name the company. It involves the construction of
16 27,000 square feet of manufacturing space, and that will be home to the first
17 phase of nearly 73 million new machinery investment by the prospect over
18 the course of ten years. The capital investment by the prospect is estimated
19 to be \$540 million and would involve the retraining of 705 existing
20 positions. There is \$2 million approved but unannounced TROF opportunity
21 grant for this project. The City of Danville is asking us to help fund the
22 construction of that phase.

23 As most of you know, Danville is part of the Southside
24 Economic Development location process, and they have a current available
25 balance of just over a quarter of a million dollars, and they can apply

1 November 1 for those funds. There is more than a half million dollars
2 parked in a reserve account in the Southside allocation for projects in the
3 City of Danville.

4 The Staff is recommending an award of \$500,000.00, with the
5 balance to be requested by the City from the Southside Economic
6 Development upcoming round.

7 Then next recommended project is the first three projects that
8 involve the creation of the Energy Research Center at various locations in
9 the tobacco region. At this point Danville-Pittsylvania County Regional
10 Industrial Facilities Authority wants to begin the planning and design of a
11 Sustainable Energy Technology Center, or SENTEC, at the Institute in
12 Danville. The three energy centers that we'll talk about today have a distinct
13 focus, based on the area that they are located in and some of the natural
14 resources and opportunities that exist. In this particular case the Southside
15 Energy Center will focus on bio-based fuel, and the Committee is involved
16 in the bio-based fuel project in Southside. All three of these Energy Center
17 proposals are asking for funds to complete business planning and operational
18 planning and to do architectural and design work on the physical facilities,
19 as well as some other related expenses. All three of the proposals the Staff is
20 recommending will be funded at \$400,000 for contracted services to develop
21 a business plan, to conduct architectural and engineering work, and funds for
22 A&E not to be released until we review a copy of the business plan. There
23 are some other travel expenses, Committee expenses that some of the
24 applicants asked for. We're suggesting that that might be a local
25 responsibility.

1 DELEGATE KILGORE: Your explanation that
2 the Danville project also includes 1415 and 1452 and 1462?

3 SENATOR WAMPLER: The questions for the
4 Committee, let's address those in a block.

5 MR. PFOHL: I'll jump ahead then to the second of
6 the energy proposals, and that's the Region 2000 Institute, and this is in a
7 group that the Committee has funded in the past to establish the Center for
8 Advanced Engineering and Research in Region 2000, which involves the
9 Counties of Appomattox, Bedford, Amherst, and the Cities of Bedford and
10 Lynchburg. The Center for Advanced Engineering and Research, which is
11 AER, have been focusing, since they were established a couple of years ago,
12 on existing industries in Region 2000, including wireless communications
13 and nuclear industries. Nuclear would be the focus of this Energy Research
14 Center, which is the second of the three projects presented today. As with
15 the Danville project and one you'll hear about in a minute, the Staff is
16 recommending an award of \$400,000 for contracted services to complete the
17 development of the business plan and to complete architectural and
18 engineering work, contingent on the business plan being reviewed prior to
19 the contract services. Any questions on that one and Region 2000?

20 Go to Page 10 of your text document. The third energy center
21 is submitted to us by Southwest Virginia Higher Education Center, and the
22 focus of this energy center will be harnessing the benefits of clean coal
23 technologies. This facility would be located at or nearby the Southwest
24 Higher Education Center and would focus on the industry cluster that has
25 dominated in that region of the Tobacco Commission. We're recommending

1 \$400,000 for that project.

2 In talking about the three energy projects we jumped over the
 3 Halifax Education Foundation request for the Center for Nursing Excellence,
 4 which begins on Page 3 of the document. This is a request for \$511,885 to
 5 build out 4,175 square feet of existing unfinished space of the Higher Ed
 6 Center in South Boston, which is part of the old tobacco and furniture shell
 7 that the Center is located in. Currently nursing programs are offered by
 8 several higher education institutions and community colleges. They're
 9 constrained by a lack of classroom space and nursing lab space, spaces that
 10 allow them to do nursing and clinical work, and so forth. So this request is
 11 to build out space to provide classrooms and nursing labs and things like
 12 that. The applicant is projecting they could roughly double the enrollment
 13 that is currently taking place in nursing programs there, and the possibility
 14 of adding 90 plus nursing graduates, nursing students in these various
 15 programs.

16 The Commission has been very generous to the Southern
 17 Virginia Higher Education Center, with a grant total of \$3.2 million and the
 18 renovation of the building and equipment, in addition to several federal
 19 grants. The Staff is recommending the full award. We would note there is
 20 another request in the Education Committee that is pending that is asking for
 21 some equipment. There will be a Staff recommendation on that, and I think
 22 I'm probably at liberty to say we're recommending partial funding of that
 23 request in the Education Committee.

24 Any questions, so far?

25 The next Staff recommended proposal is from Martinsville-

1 Henry County Economic Development Corporation, the Carlisle
2 International Motorsports Academy, Page 5 of your text document. This is a
3 request for \$147,000 to update a business plan that was completed a couple
4 of years ago, and to create a motorsports academy in Southside Virginia.
5 The proposed non-profit high school would be located at the Carlisle
6 Academy at the Martinsville-Henry International Raceway, which would
7 serve as a site to accommodate 100 students. The request is to hire a project
8 leader to coordinate marketing and update the business plan, develop
9 curriculum plans, and so forth. There are several folks that are able to speak
10 to that project today.

11 The business plan anticipates a USDA loan, financing for the
12 construction of the facility. The Staff has reviewed the proprietary business
13 plan, and for our purposes there are a couple of numbers in there that are
14 very important. Full operation in the third or fourth year would generate
15 \$7.7 million annually in new tuition and sponsorship revenues to the region,
16 which we thought was a significant number. We've spoken with the
17 applicant, and they are agreeable to reduce their request to exclude travel
18 expenses to go to some racing events out of the region and marketing
19 outreach, and seem agreeable to a recommendation of \$107,000 for
20 contracted services to develop curriculum, boarding plans, business plan and
21 marketing materials.

22 Our next proposal is 'Round the Mountain: Southwest
23 Virginia's Artisan Network, and that's on Page 9 of your text. 'Round the
24 Mountain is a regional artisans' network that involves farms and craft venues
25 and points of interest throughout the Southwest and portions of Southern

1 Virginia. 'Round the Mountain received an \$85,000 Special Projects grant in
2 '06. They are requesting \$487,900 for what they call the "community loops"
3 connecting each of the localities. They will be developing material,
4 including print and so forth, for each of those loops.

5 The Staff is recommending they focus on loops in the tobacco
6 region and spell out some operating costs which we previously supported,
7 and recommend an award of \$200,000 per loop for each of the 19 localities
8 for contract expenses for development of trail marketing materials and
9 money for overall organizational videos.

10 DELEGATE KILGORE: Is this in connection
11 with some of the dollars we funded earlier?

12 MR. PFOHL: For those of you not in Special
13 Projects, this was a very sizable request, and they wanted to build an artisan
14 center in Abingdon at the Higher Ed Center on the campus of Virginia
15 Highlands, very close to Interstate 81. The primary or stated objective of
16 that facility is to entice travelers to get off of Interstate 81 and visit the
17 artisan sites in the tobacco region. This activity would support the
18 development of materials that would persuade visitors to want to visit the
19 corners of the tobacco region and spend cold, hard cash. So it's very
20 important, and it is a part of the physical facility that is being built in
21 Abingdon.

22 The last recommended proposal we have not yet talked about is
23 the Virginia Electronic Commerce Technology Center at Christopher
24 Newport University. It's a request for \$150,000 to replicate a matching grant
25 program operating in the Hampton Roads area. The intent of the program is

1 to provide dollar-for-dollar matching to businesses that need assistance in
2 developing e-commerce and to include a website design and development,
3 on-line shopping systems and search engines optimization. The business
4 would have to match the grant on a dollar-for-dollar basis, and the grant
5 would be capped at \$2500 per business. A Technology award from the
6 Commission in FY06, \$400,000 for expansion of VECTEC in Southwest
7 Virginia and the startup of a VECTEC office in southern Virginia, or the
8 first Southside office, which was at the Higher Ed Center in South Boston.
9 Folks are here to speak to that today. Those offices would be the primary
10 outreach vehicle.

11 The Staff is recommending an award of \$150,000. Those are
12 the recommended proposals.

13 SENATOR WAMPLER: Do you want to go over
14 the water authority?

15 MR. PFOHL: On the last page of your text
16 document, there is a newly-formed Virginia/North Carolina Regional Water
17 Authority that will serve the needs of Grayson County, the Town of
18 Independence in Virginia, and crosses over into Alleghany County, North
19 Carolina and the Town of Sparta, North Carolina. It would draw water from
20 the New River. Independence and Grayson County have some wells, and
21 some that have not worked very well. The Water Authority requested \$2.5
22 million to construct a million gallon per day water treatment plant which
23 would serve 80 businesses within the Town of Independence and serve the
24 Grayson County Industrial Park. It would provide water for a prison project
25 in Grayson County. I understand from the newspaper they expect to start

1 construction on that project shortly, and that is supposed to employ 250
2 people at the prison in Grayson County.

3 Previous grants from the Committee totaling \$400,000 in FY04
4 and FY06 consisted with the creation of the Water Authority and the design
5 of the plant. The proposal involves a two-to-one match from other funds
6 from the Tobacco Commission. The Staff asked for and did receive a cash
7 flow analysis that was submitted. Based on these materials, the Staff is
8 recommending an award of \$2.5 million.

9 DELEGATE DUDLEY: On this Electronic
10 Commerce and Technology Center to Christopher Newport, the total project
11 cost is \$270,000 and \$150,000 from matching, and they're requesting
12 \$150,000 from us. That's a total of \$300,000.

13 MR. PFOHL: It won't be released unless it's a
14 dollar-for-dollar match; that will be a condition of the award. What we've
15 seen with these matching grant programs, it does require a dollar-for-dollar
16 match, and in many cases the private participants are matching us beyond
17 the dollars that are required.

18 DELEGATE DUDLEY: I'm just wondering how
19 someone actually within Southside or Southwest will administer this. I
20 would question how Christopher Newport would affect Southside.

21 MR. PFOHL: They have a location in South
22 Boston at the Higher Ed Center that serves Southside Virginia locations.
23 They have some existing locations in both regions, staff and the office full
24 time.

25 SENATOR WAMPLER: Your recommendations

1 with dollar amounts are duly noted. If I could get you to draw the
2 Committee's attention to the two items that were tabled at the request of
3 other applicants.

4 MR. PFOHL: The Future of the Piedmont request
5 for VIPER and the Virginia Institute for Performance Engineering and
6 Research, and they are co-located at the Institute In Danville, as well as
7 Virginia International Raceway. The Commission supported VIPER to the
8 tune of \$2.8 million to purchase and set up a so-called 8-post shaker rig and
9 chassis dynamometer. A previous award included some monies to purchase
10 a driving simulator, and that would allow the purchase of an off-the-shelf
11 driving simulator. The VIPER folks have asked for an enhanced driving
12 simulator. They are agreeable to back off that request at this time and table
13 it so it can be considered in the Southside Economic Development round,
14 where we might have funds that we can address that project.

15 MR. ARTHUR: Mr. Chairman, will this be an
16 issue next month?

17 MR. PFOHL: I think Southside is scheduled for
18 October 25th before the full Committee meeting.

19 The other tabled proposal is from Tazewell County, and this is
20 one that was in front of your Committee in the spring, and it was tabled at
21 that point. This is to build a workforce center in the Bluestone Regional
22 Technology Park, which is near U.S. Route 460 between the towns of
23 Bluefield and Tazewell. Currently, the county is working with funding from
24 the state's Department of Housing and Community Development to come up
25 with an operating plan, and it's not quite there yet. Construction wouldn't

1 start until late 2008, and I believe the County is agreeable to table this
2 request until the Committee can meet and consider in a time frame closer to
3 construction time.

4 MR. ARTHUR: Mr. Chairman, having completed
5 the list here, I would like to ask if you would entertain Grant Number 1300
6 for Halifax?

7 SENATOR WAMPLER: Mr. Arthur, there are
8 probably three others that we need to add that were deferred from other
9 committees. Mr. Arthur, the Chair will entertain, and I think it's a friendly
10 motion, that on 1464, Future of the Piedmont Foundation, why don't we
11 refer that to the Southside Committee?

12 MR. ARTHUR: That's fine.

13 SENATOR WAMPLER: The motion is made and
14 seconded that Grant Number 1464 be referred to the Southside Economic
15 Development Committee without further discussion. All in favor of said
16 motion signify by saying aye? (Ayes.) Opposed, no? (No response) The
17 ayes have it. It is deferred.

18 Tim, are we now at the point where we need to discuss the two
19 or three other applications that were referred to this Committee? At the
20 pleasure of the Committee, is that the next step? All right.

21 Mr. Arthur, you mentioned Halifax's proposal, the Russell
22 County proposal that came from the Southwest Committee to Special
23 Projects, and the water project, the financing proposal for \$300,000.

24 MR. PFOHL: There are two other proposals that
25 are not in front of you and were sent to you this morning by the Southwest

1 Economic Development Committee. One is a request by the Town of
2 Lebanon to construct a water storage tank.

3 SENATOR WAMPLER: We can take that one up
4 when we're looking at the other one. I'm going to ask somebody to make a
5 motion to refer this matter to the Executive Committee. It has to do with a
6 request that came from Southwest to provide operating dollars for
7 capitalization of a fund. We also have proposal 1455 to provide \$2 million,
8 and then 1460, which is Virginia Community Capital, Inc. Not
9 presupposing what the Committee would want to do, but I'm now aware of
10 at least three entities that we have that wish to get into the financing
11 business. I think that's beyond what the Special Projects Committee can do.
12 All of which probably have great merit, but I'm not sure this Committee can
13 sort through and determine whether we should fund it out of Southside or
14 Southwest and whether we can do it out of our appropriation from the
15 Executive Committee to address that specifically.

16 DELEGATE KILGORE: Are you asking that item
17 1460, Virginia Community Capital, Inc., Rural Small Business Loan Fund,
18 or all three items --

19 SENATOR WAMPLER: -- I would say that there
20 are three, unless Tim can direct me otherwise. Three components, one is
21 operations, a two million dollar fund, and the third is a half million dollars
22 for Rural Small Business.

23 DELEGATE KILGORE: I'd move that the
24 Executive Committee --

25 SENATOR WAMPLER: -- It's been moved and

1 seconded. Anyone in the audience who desires to be heard, we can slow it
2 down long enough to do that. Given the prerogative, and with our posture
3 today, first of all, we don't have the money; and secondly, I think it's
4 conflicting, and I'm not sure we have the time to sort through that. Deferring
5 for another period of time, and that's not a fatal decision, but we're trying to
6 do the best we can with the fiduciary responsibilities we have. A motion has
7 been made and seconded that those three grant applications be referred to the
8 Executive Committee for further disposition. All those in favor signify by
9 saying aye? (Ayes.) Opposed, no? (No response) The ayes have it. Those
10 three items will be referred.

11 Tim.

12 MR. PFOHL: Southwest Economic Development
13 Committee got an application on the same day Special Projects were due for
14 \$3,580,000 to construct a 2.25 million gallon water storage tank and
15 construct 30,000 feet plus of major water lines in the Town of Lebanon. The
16 Southwest Committee had previously assisted this project with a grant of
17 \$285,000 in FY06 back when the plan was to build two replacement tanks,
18 but now they've focused their plan on building one, which is naturally a
19 larger tank. The proposal was not recommended by Staff, because with that
20 amount it would constitute the Commission paying for 94 percent of it, and
21 that's clearly a revenue-producing project. We felt that other folks, like
22 Virginia Resources Authority, was a potential financial source for the
23 project. The Southwest Committee discussed it this morning, and discussed
24 it in terms of providing additional grant funds to help make it happen. They
25 ended up sending it over to you folks, based on some information from the

1 town that there are regional participation agreements in place with the
2 County of Tazewell and the County of Dickenson. There are some people
3 from Lebanon here that would speak to that.

4 SENATOR WAMPLER: That completes all the
5 applications, as we know them, before the Committee right now.

6 Mr. Arthur, I think I interrupted you before, and you were
7 asking?

8 MR. ARTHUR: I was asking, Mr. Chairman, if
9 we could address this particular request from the Halifax County Historical
10 Society. It's not the first time they've been before us. It's been kicked back
11 and forth between Southside and here. There have been some negotiations
12 going back and forth, but I think it's time that we look at this, and I
13 recommend that it be on the floor for discussion.

14 SENATOR WAMPLER: Mr. Arthur, do you have
15 an amount something less than what the applicant actually requested?
16 Typically, we've been maybe cutting in half, but I guess you'd like to make it
17 something a little more than that.

18 MR. ARTHUR: Seventy-five thousand, and we've
19 got the Staff recommendation, nothing, but it was based on the fact that they
20 had a request to the National Endowment for Humanities, and they've been
21 denied 100,000 that they would have paid.

22 SENATOR WAMPLER: All right, it's been
23 moved and seconded. The purpose of the motion is just to put it in the block
24 and consider it, and we can see where we are at the end of the session. We'll
25 put it in with the Staff recommendation, and the Staff can tell us how close

1 we are.

2 MR. WEST: The request was for 100,000; the
3 motion is for 75,000.

4 SENATOR WAMPLER: Do you have a substitute
5 motion?

6 MR. WEST: I'd recommend a substitute motion,
7 and we make it 100,000.

8 SENATOR WAMPLER: It's been moved and
9 seconded, the substitute motion, and the amount recommended for
10 consideration is recommended to be 100,000. Any further discussion?

11 MR. ARTHUR: Mr. Chairman, I would have
12 recommended that amount, but I thought we were getting closer to our
13 ceiling. If we've got the money, I think that's all right.

14 SENATOR WAMPLER: It's the intent of the
15 Chair that the motion is just to put it in the block. We'll vote on everything
16 in the aggregate to make sure that we don't exceed what our allocation is.
17 It's been moved and seconded that the amount of 100,000 be included in the
18 block; that would require a vote at the end. So, on that motion, all in favor
19 signify by saying aye? (Ayes.) Opposed, no?

20 DELEGATE DUDLEY: No.

21 SENATOR WAMPLER: Let the record reflect the
22 no vote. The ayes have it. It's in the block for consideration.

23 DELEGATE KILGORE: The Town of Lebanon,
24 we were talking about 250,000; I'd like to move that in the block.

25 SENATOR WAMPLER: It's been moved and

1 seconded that we include in the block for consideration the amount of
2 \$250,000 for the Town of Lebanon. Any discussion on that motion? This is
3 just for inclusion in the block. All in favor signify by saying aye? (Ayes.)
4 Opposed, no?

5 MR. WEST: No.

6 SENATOR WAMPLER: Please record the no
7 vote. That matter is included in the block for consideration.

8 MR. STEPHENSON: Mr. Chairman, do you wish
9 to reflect today that the \$500,000 that Southwest has asked, that that be
10 transferred to you? That would raise the total available today.

11 SENATOR WAMPLER: Let me try to explain
12 that. The Southwest Economic Development Committee recommends
13 \$500,000 from the Southwest Economic Development Committee be added
14 to this project. For those in the audience, it requires action and
15 recommendation from the Executive Committee and the full Commission to
16 adopt the transfer of said dollars. Anything we do today is simply a
17 recommendation to the full action of the entire Commission.

18 Now, are there any other matters that need to be added to our
19 spreadsheet?

20 MR. PFOHL: We're reformatting our spreadsheet
21 to give you an accurate number.

22 SENATOR WAMPLER: In the meantime, then, is
23 to start with the balance of the projects and ask for those who wish to be
24 heard. Without objection from the Committee, then, those projects that have
25 not been addressed, we will start with the Dan River Basin Association and

1 ask if there is anyone in the audience that wishes to be heard on this matter.
2 If you would, please come forward.

3 Delegate Kilgore suggested earlier this morning
4 that blessed are those that are brief, and they shall be invited back. We have
5 23 projects and \$13.8 million to spend, so that's the challenge.

6 I think the next item is 1417, Greenville County, Workforce
7 Development Center. Does anyone desire to be heard on that project?
8 Hearing none, then we'll move on to the next item.

9 The next item is Halifax County Service Authority. Is there
10 anyone here that wishes to be heard on that today?

11 We have a recommendation on the amount requested for the
12 Halifax County Historical Society. The Chair is going to observe, I think
13 you're in pretty good shape. I don't know that any comments are necessarily
14 needed at this point.

15 Next would be the New River Regional Water Authority and a
16 \$2 million request. Is there anyone here that wishes to speak on that? If
17 there is, please come forward. Please tell us your name.

18 MR. NEWMAN: My name is Ronald Newman,
19 Chairman of the New River Regional Water Authority. This project costs
20 just over \$19 1/2 million, and now we're talking about 17 1/2 million. What
21 this project consists of is the water treatment plant, 24-inch water lines, and
22 this is really going to help economic development in our region. This will
23 help with job creation and with economic development prospects. We've
24 also got the industrial park along I-81 and I-77. In Carroll County, that
25 mainly consists of Exit 19. Any funding we could get would certainly be

1 appreciated.

2 SENATOR WAMPLER: Exit 19, it's pretty
3 impressive. All I can say, and I'm just speaking for myself, it's a pretty big
4 dollar amount, and we're chasing \$19 million worth of projects, and if it's
5 not approved you can come back. I know it's very important to you.

6 MR. NEWMAN: Any assistance we can get, we'd
7 certainly appreciate it.

8 SENATOR WAMPLER: Thank you. Pittsylvania
9 County Economic Development, does anyone care to talk about that?

10 MR. ELY: My name is Ray Ely. I'm a partner
11 with Dr. Rosenberg. Basically, the money we're asking for here would go
12 into a lot of current research in Sunnyside Up. What we'll be doing at the
13 facility is that once we have completed her work and the information, and
14 the vaccine does work, it's pretty much anticipated from her past experience,
15 then we'll be growing tobacco from those results inside the greenhouse. The
16 greenhouse is approximately one acre, around a ten-acre site. The
17 technology that will be reported back to the USDA. This will really help the
18 research, along with that vaccine. That's very important.

19 SENATOR WAMPLER: Thank you very much.
20 The next one is 1448, Prince Edward County Industrial Park Expansion.

21 Next is 1421 Radford University - Preparing Tobacco Region
22 Communities for Global Success.

23 The next one will be Russell County IDA - Southwest Virginia
24 Technology Development Center.

25 MR. RUTHERFORD: Mr. Chairman, Harry

1 Rutherford, Russell County Industrial Development Authority. We
2 appreciate what you have done for us in the past. We understand you have a
3 lot more requests than you have money. If you need to defer us to the next
4 round, we would understand that. Of course, we'll come with our hand out
5 again. We do appreciate you supporting the Town of Lebanon's project,
6 because that's also very necessary for Northrop-Grumman and GCI. There's
7 a commitment we made to build the technology development center. We do
8 appreciate any help. Thank you.

9 SENATOR WAMPLER: Let us know what
10 projects you have that we can help finish up on, and maybe that would be
11 the last trip here, I don't know.

12 MR. RUTHERFORD: We'll do that, Mr.
13 Chairman.

14 SENATOR WAMPLER: We thank you for your
15 patience and look forward to your coming back again.

16 All right, 1459, is anyone here?

17 All right. That brings us to a point where all projects have been
18 discussed, at least in some form. I see Bill Carrico here today. Do you wish
19 to address the Committee on any particular subject?

20 MR. CARRICO: Project 1446 is the
21 Virginia/North Carolina Regional Water Authority. I realize this is a large
22 request; however, it will be tremendous for us in its effect, and it will be an
23 anchor tenant and will create some 400 jobs in the area that are really needed
24 for economic growth. I'm here on behalf of the region I represent and asking
25 the Commission to look favorably on the recommendation and ask you to

1 consider the economic growth for that region with this project funding.

2 I'd be remiss not to mention project 1341, as I was sitting there
3 trying to get your attention to let you know that this was a project that we
4 toured, and any future consideration would be appreciated. Thank you.

5 SENATOR WAMPLER: Thank you very much,
6 Delegate Carrico.

7 DELEGATE KILGORE: I make a motion that we
8 approve Staff recommendations and the ones that were added in the block.

9 SENATOR WAMPLER: It's been moved and
10 seconded the Staff recommendations as represented on the spreadsheet be
11 adopted in the block represented by the spreadsheet the Staff has presented
12 to us. Do the members need anymore time to examine the spreadsheet? Are
13 you ready to vote? Any questions or comments? If not, then, all those in
14 favor of adopting the recommendations as presented by the Staff signify by
15 saying aye? (Ayes.) Opposed, no? (No response.) The ayes have it, and
16 those matters are adopted, and we'll report those to the Commission. The
17 items that were referred to the Executive Committee or Southside Economic
18 Development Committee will be taken up at the appropriate time.

19 I think we're at the point now where we would consider public
20 comment from anyone in the audience that desires to be heard now. If you
21 want to come forward, tell us your name.

22 MS. BARKER: I'm Mickey Barker, and I'm the
23 Regional Director for SENTEC representing the Abingdon/Galax area. We
24 also have David Smith and Laura Anderson from South Boston.

25 SENATOR WAMPLER: I guess it's appropriate

1 to say we do appreciate your service. Alan, I guess it's appropriate to say
2 that we appreciate your service on the Tobacco Commission. You're going
3 to greener pastures, and your friendship, it's very important. I'm sure
4 Delegate Kilgore is going to present you a plaque at some point in time.

5 Is anyone else in the audience here today who would like to
6 speak, or any other matters to come before the Committee at this time?

7 If not, the next meeting will be determined by what the
8 Executive Committee gives us to work with, and that probably means our
9 next meeting will be determined by those events.

10 If there are no other matters to come before the Committee, we
11 will be adjourned.

12 PROCEEDINGS CONCLUDED.

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CERTIFICATE OF THE COURT REPORTER

1
2 I, Medford W. Howard, Registered Professional
3 Reporter and Notary Public for the State of Virginia at large, do hereby
4 certify that I was the court reporter who took down and transcribed the
5 proceedings of the **Virginia Tobacco Indemnification and Community**
6 **Revitalization Commission Special Projects Committee Meeting when**
7 **held on Thursday, October 4, 2007 at 1:30 p.m. at the Wytheville**
8 **Meeting Center, Wytheville, Virginia.**

9 I further certify this is a true and accurate transcript
10 to the best of my ability to hear and understand the proceedings.

11 Given under my hand this 15th day of October,
12 2007.

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15
16
17 _____
18 Medford W. Howard

19 Registered Professional Reporter

20 Notary Public for the State of Virginia at Large
21
22
23
24